

Ms. BROWN OF FLORIDA. Thank you.

I would like to welcome our distinguished witnesses here this morning.

Our first witness is Lieutenant Governor John Bohlinger from the State of Montana, welcome, welcome.

Our second witness—and you ably introduced him—is the former Governor Mark Schweiker, who is the President and CEO of the Greater Philadelphia Chamber of Commerce and the former Governor of Pennsylvania. Welcome.

Our third witness is Illinois State Representative Elaine Nekritz. She is Chair of the Rail Committee in the Illinois Statehouse, which is newly formed. I can see already she has a lot to talk about, including her plane was late this morning.

And our final witness for the panel, my dear friend, Commissioner Velma William. She represents the City of Sanford, which Ranking Member Mica and I have the privilege of serving in Congress.

Let me remind the witnesses that they are under committee rules. They will submit their oral statements, but their entire statement will appear in the record. We will also allow the entire panel to testify before questioning the witness.

We are very pleased to have you here this morning.

**TESTIMONY OF LT. GOVERNOR JOHN BOHLINGER, STATE OF MONTANA; MARK SCHWEIKER, PRESIDENT AND CEO, GREATER PHILADELPHIA CHAMBER OF COMMERCE AND FORMER GOVERNOR OF PENNSYLVANIA; HONORABLE ELAINE NEKRITZ, STATE REPRESENTATIVE OF ILLINOIS; AND HONORABLE VELMA H. WILLIAMS, COMMISSIONER, CITY OF SANFORD, FLORIDA**

Ms. BROWN OF FLORIDA. We will begin with Lieutenant Governor. Thank you.

Mr. BOHLINGER. Good morning, Madame Chair and subcommittee members. My name is John Bohlinger. I am Montana's Lieutenant Governor. I greatly appreciate the opportunity to appear before you today to discuss this critical issue of Amtrak's intercity service to Montana and other rural States.

I'm here to speak in support of Amtrak's long-distance intercity service and the need for continued Federal support for Amtrak in general and the need for long-distance routes specifically.

Mr. SHUSTER. Can you pull the mike closer?

Mr. BOHLINGER. Surely. How is that?

Many people assume that long-distance travelers on Amtrak are primarily vacationers or leisure travelers. In reality, the long-distance routes such as the Empire Builder provide essential transportation to residents in large areas of the United States, including Montana.

The Empire Builder has been a presence in Montana for some 78 years. The nearly 700-mile segment of the Empire Builder that crosses Montana's Hi-Line accounts for almost one-third of the total route. To put this in perspective, the Empire Builder crosses Montana at a greater distance than it would be to travel from the District of Columbia to Atlanta, Georgia.

The Empire Builder's annual ridership is about 500,000. This is not large in terms of a national perspective. However, with our rural highway and transit systems, traffic volumes do not always tell the whole story.

When you come to understand the importance of—national importance of long-distance passenger service, to understand this I think it is important for you to see or have some understanding of Montana's transportation system.

In northern Montana, the area served by the Empire Builder, we have one north-south interstate highway system; and we have a two-lane highway system that goes east and west. There are no intercity buses services. There is limited access to air transportation. During the winter months, when storms can often close highways, the Empire Builder provides a lifeline of transportation to residences and businesses that have no other options.

The Empire Builder draws riders from many other areas of Montana. People who live in Billings, Bozeman, Butte and Missoula will often drive hundreds of miles to take the train.

Now if you were to visit the Montana train depot before the train arrives, it would be interesting for you to see just who is queuing up for that ride. We would see the following: We would see Montana residents who would be traveling to major hospitals in Seattle or to the Mayo Clinic in Minnesota for medical treatments. You would find military personnel at the Great Falls Malmstrom Air Force Base who are traveling. You would find Native Americans who are going to work or visiting families and friends out of State. You would find students who would be traveling to school outside of the State of Montana. You would see Homeland Security personnel that guard our border between the United States and Canada, our neighbors to the north. You would also come to understand that the economy of the Hi-Line northern part of our State and its success is closely tied to the presence of Amtrak and rail service.

From Montana's perspective, the greatest need is a national passenger rail policy that includes long-distance routes with multi-year Federal funding packages that would support it. Without such a policy, Amtrak is doomed to forever struggle to survive and provide basic services.

We believe that Congress must consider establishing a policy that preserves existing passenger routes. Some recent Amtrak funding proposals include recommendations that States pick up more of the financial responsibility for the services they receive. Because the population density in Montana is very low, the cost of the State match or contribution per capita, we hope, would be proportional and fair. We pay our fair share—in fact, perhaps more than our fair share—in the sense that we have the ninth highest tax on gasoline and the tenth highest tax on diesel in this entire country.

Montana has 69,452 miles of roads that are open for public travel, with 1,191 miles of interstate highway systems and 10,572 miles of State and Federal highways. Because of this vast roadway system, Montana struggled to provide matching funds for highway maintenance. The State has a population of 940,000 people that are spread over 145,000 square miles. We are the fourth largest State. We have about 6.51 persons per square mile. We have more deer, elk, antelope, cattle and sheep than we have people. If we could figure out how to tax them, we would might be able to kick in a little more from the State side, but we haven't been able to do that. So I would help when we develop funding formulas there would be a sense of fairness and portionality.

Long-distance passenger routes such as the Empire Builder provide national benefits, including reduced emissions compared to car travel and travel that will become more costly when we look at \$3, \$4 and \$5 a gallon gasoline. Furthermore, it is an alternative to crowded airports and highways. For Montana citizens who have few transportation options, Amtrak provides essential connectivity between this State and the rest of our great country.

We in Montana are hopeful that Congress will continue to support Amtrak's long-distance service and will not require financial contributions towards long-distance service from low-population-density States. A national passenger rail system without long-distance routes is not a national passenger rail system. We are the United States. We are not separate, independent nations.

This concludes my statement. Thank you again for the opportunity to participate in this important discussion. I will be glad to respond to any of your questions.

Thank you, Madame Chair.

Ms. BROWN OF FLORIDA. Thank you.

[Mr. Bohlinger's prepared statement follows:]\*\*\*\*\* INSERT 1-1 \*\*\*\*\*

Ms. BROWN OF FLORIDA. Governor.

Mr. SCHWEIKER. I represent a large business advocacy organization with members across three States—southeastern Pennsylvania, southern New Jersey and northern Delaware.

Today, in my role as chairman of the CEO Council for Growth, it is my pleasure to provide some perspective and recommendations which I will outline briefly in a moment. As you know, the Growth operation is found in the written statement that was provided days ago.

Just to mention, the CEO Council's mission is to enhance the competitiveness in the region in the global economy. A key to this mission is an enhanced Federal commitment to Amtrak's Northeast Corridor, which is central to the future economic growth of our region.

I should mention that greater Philadelphia has some distinctions as relates to Amtrak. It is the only region in the country with three big stations: Trenton, Philadelphia and Wilmington. Certainly you are aware to the usage of those particular stations. In fact, 3.5 million Amtrak passengers used Philadelphia's 30th Street Station in 2006, with a top destination being New York City, followed by this city, District of Columbia. In a highly skilled workforce, our regions

easy access by train to the Nation's financial capital and political capital in Washington is one of our primary advantages.

Let me mention as far as the magnetism of Amtrak and what it means. Someday perhaps you will be able to visit. There is a large new high-rise literally next to Amtrak's 30th Street Station. It took about 3 years to fill up this high-rise. I think it is a concrete example of the economic impact of and the attraction of good intercity rail service.

Finally, as we talk about perspective, let me mention that Amtrak's infrastructure is critical for the operation of our regional transit systems. Fifty percent of the local in the Pennsylvania realm SEPTA trains rely on Amtrak's rail and 60 percent of New Jersey transit trains are dependent on Amtrak's tracks and signal systems.

As one considers the operation of Amtrak, I cannot overstate the absolute vital nature of Amtrak to smooth operation of commuter rail and the economic performance of the greater Philadelphia region, which I just mentioned falls into three States.

Also, Congressman Shuster did mention the Keystone Corridor which connects out to Lancaster and the State capital. That is a key part of the region's suburban commuter rail network. It is something that Tom Ridge and I had began. I want to acknowledge that Governor Rendell, our current Governor, has continued that between the Commonwealth and Amtrak.

So important connections and a sense that the partnership already exists, I want to make that historical note.

When I talk about our region, let me mention that I focused my comments in the first minute or two in our region. Interstate 95, another region, is congested from Boston to Washington, with the most delays in the New York, New Jersey, Philadelphia area. Obviously, Amtrak can be a great source and network for moving people more efficiently.

Finally, the Northeast region will add nearly 20 million new residents by 2050. If our transportation system is going to continue to function, we will need significant new capacity in all modes of transportation, air, road networks, as well as intercity rail. Hopefully, our opportunity to visit today does lead to a brighter future for Amtrak and not necessarily the moments we experienced in the last couple of years where we were defending its essential nature.

Finally, let me mention our recommendations:

One, to find a secure source of funding for intercity passenger rail. The Northeast Corridor is too important to be a hostage to yearly crises where Amtrak is threatened with bankruptcy by the administration or Congress.

Hopefully, you will see a way in the reauthorization proposal to define what is "state of good repair" and provide the associated funding to achieve it.

Number three, reduce the trip time of both north and south ends of the corridor.

And, fourth, in our estimation—I speak for the business community, 5,000 strong—require Amtrak to work with the States and the commuter railroads to develop a plan to increase the capacity of the corridor through these partnerships.

And rest assured, Madame Chair, we appreciate the opportunity to provide comments today, and with the business community and also working in tandem with similar interests in Boston all the way down to Richmond, we would like to work in alignment with this committee to fashion the reauthorization proposal.

Ms. BROWN OF FLORIDA. Thank you, Governor.

[Mr. Schweiker's prepared statement follows:]\*\*\*\*\* INSERT 1-2 \*\*\*\*\*

Ms. BROWN OF FLORIDA. Ms. Nekritz.

Ms. NEKRITZ. Thank you, Chairman Brown, members of the Rail Subcommittee.

As Chair of the newly created Illinois House Rail Committee and a commissioner from Illinois to the Midwest Interstate Passenger Rail Commission, I am honored to share with you some of Illinois' exciting news about passenger rail as well as the challenges we face and the future for passenger rail in Illinois and throughout the Midwest.

I also want to thank Congressman Lipinski for making sure that I got here today and for his very strong leadership in Illinois.

For many years, Illinois has made an investment in passenger rail by purchasing Amtrak service along four corridors. The schedule, however, wasn't so great and didn't necessarily allow for easy round-trip travel between Chicago and down-State communities. Despite these difficulties, Illinois saw a 40 percent increase in ridership between 2003 and 2006.

Responding to this demand, the State doubled its spending, for a total of \$24 million for State-sponsored Amtrak service. Starting October 30th, 2006, we purchased additional daily round trips on three of the four corridors.

When the new service was announced, it was widely applauded by the media and local elected officials and citizens, but I don't think anyone could have anticipated the response from riders. In the first 6 months, ridership was up dramatically, from 60 percent growth on the Chicago/Quincy line to over 100 percent growth on the Chicago/St. Louis line; and that growth continues despite problems with performance and equipment breakdowns. These results clearly demonstrate the significant demand for passenger rail service in Illinois and the Midwest.

Providing new service is only the beginning for my State. To continue the service at the current level and any chance of building on success, we have some challenges to meet.

The first is the lack of trainsets. When we bought our new service, we wiped out any remaining inventory that Amtrak had of locomotives and cars. So when there are breakdowns, we have delays. When trains are sold out, which happens more often they we could have anticipated, there are no cars to accommodate new passengers. We clearly cannot provide any new service until this problem is resolved.

Our second hurdle is the infrastructure on the host rail lines—both the quality of the maintenance and the conflicts with freight traffic. For example, the Union Pacific line between Chicago and Springfield has 20 slow orders that require Amtrak to run at reduced speeds, sometimes no more than 10 miles per hour. The conditions and lack of adequate sidings on all the lines prevent pas-

senger and freight trains from going past each other in an orderly fashion.

While Illinois has upgraded a portion of track on the Chicago/St. Louis line to accommodate trains at 110 miles per hour—we are very jealous of Pennsylvania for that—more needs to be done to make passenger rail run fast enough to attract more riders.

Finally, we need to expand beyond our existing routes to Rockford, the Quad Cities, Decatur, Peoria and Galena. The mayors of these communities have expressed strong interest in pursuing new train service, and our Department of Transportation is currently engaged in studying the viability of such service.

To be successful, the State of Illinois needs partners. We are hoping the Federal Government will join along as a partner, as has Amtrak and the freight railroads.

First, I want to applaud the work Congress has done to keep the Amtrak contract funding at the level that it has. This year, Amtrak has requested \$1.55 billion for operations and the Senate has proposed \$1.78 billion. I would certainly encourage the higher level.

In addition, a Federal matching program similar to that for other modes of transportation would give States the boost they need to meet the demand for passenger rail service. An 80/20 match would give Illinois the incentive and ability to address the problems I outlined earlier. An 80/20 match would also put us much closer to realizing the vision of the Midwest Regional Rail Initiative, which I am sure you will hear more about later, to connect the entire region with high-quality, higher-passenger rail.

Finally—this may not be the right place, but I don't want to go without mentioning this—Federal support for the Chicago Region Environmental and Transportation Efficiency Project, known as CREATE, is critical for us. As you are well aware, CREATE is a "project of national significance" in the recent transportation reauthorization SAFETEA-LU; and while CREATE is vitally important for the transport of freight across our country, it also does have passenger rail benefits.

Illinois as a State is considering funding for CREATE as part of a capital program, but without support from the Federal the project cannot provide the full benefits that we so desperately need.

I am grateful for this opportunity. The State of Illinois is committed to continuing our work to improve passenger rail service, and it can be better for our citizens in our region with the active involvement of the Federal Government. Thank you.

Ms. BROWN OF FLORIDA. Thank you.

[Ms. Nekritz's prepared statement follows:]\*\*\*\*\* INSERT 1-3  
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Ms. BROWN OF FLORIDA. Ms. Williams.

Ms. WILLIAMS. Good morning. I am Commissioner Velma Williams from the City of Sanford, Florida. I am indeed honored to be invited to testify before you today regarding the benefits of inter-city rail passenger service.

I also want to you know how proud we are in my community to be represented in Washington by Congresswoman Corrine Brown, the Chair of this subcommittee, and Congressman John Mica, the ranking Republican member of the Committee on Transportation and Infrastructure.

The City of Sanford is about 20 miles north of downtown Orlando. We are the original "big city" in Central Florida. This was because our location on the St. John's River and a very early connection with the railroads. In 1880, the South Florida Railroad was completed between Sanford and Orlando to carry passengers and freight from our port to inland destinations, including a small settlement to the south named Orlando. In 1881, the railroad was extended west to Tampa.

Today, Sanford is a thriving community of 52,000 people. We are the largest city in Seminole County, and we serve as the County seat. Our economy has been based on agriculture, but, like much of Florida, the landscape changed quickly. We are fortunate to have a growing and diverse economy. Traditional cities like Sanford are being revitalized, new developments are being sited in a manner to preserve much of the natural Florida that residents cherish.

Our transportation system has played an important role in the City of Sanford's evolution. We are served by Interstate 4, the GreeneWay, which is our equivalent of a beltway, an extensive network of local roads, Orlando Sanford International Airport, Lynx, bus service and Amtrak.

Traffic congestion, especially on Interstate 4, is a chronic problem. Additional lanes have been added in recent years, interchanges have been built, and a major regional chokepoint was fixed with the construction of a new bridge built across the St. John's River. Even with these improvements, Interstate 4, which is the spine of our regional transportation system, is the road that Central Florida drivers want to avoid. This often causes problems with visitors and freight movement as well.

Our national transportation policy in recent decades has focused on highways and automobile travel. The Interstate highway system has been the centerpiece. Designed in the 1950s and completed just recently, it was an extraordinary accomplishment. It has connected metropolitan areas across our great Nation and set a standard that is the envy of most countries throughout the world. State and regional transportation policies have, for the most part, also emphasized highways and automobile travel.

Many will say that these policies have served us well, and there is a great deal of truth to this, but something happened along the way. We somehow forgot about the important role that railroads have played in our Nation's history, and we have failed to see the opportunities they hold for our future. It is time for a change, and that can begin today with this hearing.

Our national rail passenger system, Amtrak, has had a long and complex history. I am not an expert on this, but I can speak to what people see today, at least in Central Florida, and what I believe people would like to have as part of our future.

Amtrak provides an attractive and reasonably priced alternative to the automobile in the Northeast Corridor between Washington and Boston. In addition, I have heard it is popular in some areas of California. However, beyond that, Amtrak does not have the financial means to provide the type of service that most people demand today.

In Central Florida, Amtrak provides several trips a day in each direction between Miami and points north. Service for regular pas-

senger trains are provided at three stations, one in downtown Orlando and one in Winter Park and one in Kissimmee. Amtrak's Sanford station for regular trains was closed a number of years ago to reduce operating costs and due to damage as a result of the hurricane.

I would like to have this historic station reopened by Amtrak—or we would like to have this historic station reopened by Amtrak. This would increase ridership and avoid having people travel south to Winter Park to use Amtrak, and also it would be a nice complement to start up the Central Florida commuter rail service in the year 2010.

Amtrak continues to operate the AutoTrain in the City of Sanford. This is an innovative service that has proven to be very popular. Passengers travel in comfort on overnight trips between Lorton, Virginia, and Sanford, Florida. This takes cars off of Interstate 95 and Interstate 4. When travelers arrive in the City of Sanford they can enjoy all that central Florida has to offer or continue their trip to Tampa, southwest Florida or Miami as a result of the turnpike. This service is unique in this country. It serves as a wonderful example of how the market responds to innovative ideas. I was very pleased to hear recently that Amtrak is planning to make improvements to the Sanford AutoTrain station. Please fund them so that can be possible.

Last year, nearly 400,000 passengers used the Amtrak station in central Florida. This number has fluctuated in recent years. There are a number of subsequent reasons for this, which is not really important. However, I firmly believe that if trains were more frequent and trains operated at higher speeds, there could be significant increase in Amtrak's passengers.

I also believe that the potential is great for quality, high-speed rail between Florida's major cities. At a minimum, this would include Jacksonville, Tallahassee, Orlando, Tampa, and Miami. In the year 2000, Florida voters approved an amendment to the Florida constitution to provide for construction of the intrastate high-speed rail passenger system, but something happened there, which is not important either.

Conditions in my region and throughout the State of Florida are, in my opinion, ideal for a rebirth of passenger rail service. But today I am asking the distinguished members of this subcommittee to consider an ambitious passenger rail program on a national scale. This will involve upgrading existing lines, establishing new routes, refurbishing existing stations, building new stations, investing in new equipment and providing new service. It will probably involve new ways of doing business.

Ms. BROWN OF FLORIDA. Ms. Williams.

Ms. WILLIAMS. Yes.

Ms. BROWN OF FLORIDA. You have about one minute to close.

Ms. WILLIAMS. Okay.

Ms. BROWN OF FLORIDA. But you can close now, and then we can ask you some questions as we move forward.

Ms. WILLIAMS. Let me say this, bottom line, that interstate intercity passenger rail is definitely needed. That is an unquestionable need, and I feel that Amtrak—we feel that Amtrak is the key. We feel that Amtrak should be funded.



So I leave you with the question, if there is no funding for Amtrak, then why? If there is no funding for Amtrak now, then when? If there is support and funding for Amtrak in these chambers, then where is the support? I say to you, be bold, be encouraged and embrace change. Thank you.

Ms. BROWN OF FLORIDA. Thank you, Ms. Williams.

[Ms. Williams prepared statement follows:]\*\*\*\*\* INSERT 1-4  
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Ms. BROWN OF FLORIDA. Thank you all for your testimony.

I need to go back to the Lieutenant Governor, because one of the major debates in Congress constantly is about Amtrak not paying for itself, running services to areas that are not highly populated like your area. It doesn't seem to be a clear understanding, the importance of having rail systems in your area, and that is really one of the major disconnects I think about the system. So I would like for you to expand on that in your testimony.

As I was reading last night, you talked about there is no bus or air transportation system in your area. Has there ever been any and why is it important that we in Congress look at connecting your area with the rest of the country? Because there are many who constantly propose cutting it off because it doesn't pay for itself.

Mr. BOHLINGER. Thank you, Madame Chair. Those are good questions.

Let me first address the concern that Congress may have about someday creating a rail system that will pay for itself. There is no rail system in the world that pays for itself. You can't generate enough revenue through the sale of tickets to provide for the services. So the people of these great countries that have good rail systems are providing a subsidy to keep those systems alive. I liken it to the kind of public investment that is made in education, the kind of public investment that's made to provide human service efforts for government. There are similarities here. It's what a great nation, a great country is held together with.

Now, with respect to States like Montana, a low-population State, we only have 944,000 people, but yet we are citizens of the United States. We are not a separate and independent nation. We are part of a great nation. And we have a Federal highway system that was built for the benefit of all citizens of this country, providing them the opportunity to travel from the east coast to the west coast.

Now, all segments of that highway system do not necessarily pay for themselves because of low traffic. But it is a federally subsidized, federally funded system that bears great value to this country.

The same sort of expression of value could be found if we were to provide sustainable funding for a rail system that would benefit all citizens of this country, among them the opportunity to travel, to go to work or to vacation. Just because we don't have—we only have a half million riders on the Amtrak system, which is not great in comparison to the kind of ridership that is generated in Pennsylvania or Illinois or Florida, but we are contributing our part.

It is interesting to note that the—I keep harkening about the highway system. The Federal highway system is supported through

tax dollars on the sale of gasoline and diesel fuel. Montana has the ninth highest tax on gasoline in the country, the tenth highest tax on diesel fuel. This is a great commitment by the people of our State to the benefit of our country, and I feel that we have made our contribution. I feel that Montana, unless we can figure out how to tax the deer, elk, antelope, cattle and sheep, I don't know where the additional revenue will come from. But we try, and we are members of a great nation and would expect that the Congress of this great nation take into consideration the importance of the connectivity of bringing our nation together.

Thank you, Madame Chair.

Ms. BROWN OF FLORIDA. I hope you don't keep mentioning the cattle and the sheep, because we will figure out how to tax them.

Mr. BOHLINGER. Very good. Thank you, ma'am.

Ms. BROWN OF FLORIDA. I want to ask the Governor a question, because I understand he is going to have to leave, and then I turn it over to Mr. Shuster.

How would the greater Philadelphia business community benefit from the increased Amtrak presence? What support would the business community—what kind of partnership can we do with the business community and with the Federal Government?

We are discussing a greater role for the States, and I guess my question, as he mentioned earlier, I don't think that should be a mandate from us. I think that should be something that we are committed to do.

We spend almost \$9 million a week in Iraq; we are not willing to spend \$4 million for the entire system. We are talking \$1.7 billion, and we think that's great, hooray. When every single industrialized country, when they came and testified, they talked about billions of dollars that they put into the system.

Governor.

Mr. SCHWEIKER. Madame Chair, thank you.

I want to address not only the first element of your inquiry, the economic reward, the economic impact. In our experience, it is unquestionably positive.

I mentioned the Cira Centre, the high-rise building. They are now talking about development of a second large building. So it says something about the magnetic appeal of the proximity of rail service in the intercity. When that is accented, it stands to reason that you will get more.

Let me also say it stands on the outlay of Federal funds for transit, the economic reward which I think, when handled properly, is unquestioned and positive. We often do not accent the environmental dimension. There are lots cars in the world. There is an environmental impact of a positive nature as well, so that ought to be considered.

As it relates to our interest and hunger to partner with the Federal Government in the operation of Amtrak, as Congressman Shuster mentioned moments ago about the Keystone project, every stop along that line from Philadelphia to Harrisburg is a result of that partnership. And working in tandem shows increased ridership. It is picking up.

I believe it is not just in Pennsylvania. I think California shows some pretty interesting numbers as far as increased ridership. It is a matter of promoting it.

The business leaders that I represent, as enlightened as I believe they are and certainly distressed by some of the commentary that at times comes from the White House, is interested in opening up the discussion, making it clear that it is about companies, jobs and paychecks. Your constituents, our residents, they are CJP—companies, jobs and paychecks—for residents. Partnership leads to them.

Ms. BROWN OF FLORIDA. Yes, sir.

It has been a real fight for the past few years when we have a recommendation from the White House to zero out the complete budget, which is ludicrous, and then this year \$900 million, which is also ludicrous.

I turn it over to Mr. Shuster.

Mr. SHUSTER. Thank you.

I think it is important to point out if you look back over our history the major economic developments that occurred through our history were transportation projects, were the canal system through the country, the Union Pacific Railroad, the Transcontinental Railroad in the 1860s that connected east to west, the Panama Canal, the interstate highway system. What followed was economic boom times for America.

I might add as well those were all Republican initiatives. Some of my colleagues have forgotten that it was Republican initiatives; and it is in the Constitution that the Federal Government is here to provide financial security and national defense, which transportation is key to that, intercity commerce and now global commerce. So I like to remind those on my side of the aisle that those are important components of the Republican party.

My question is on the Eastern Corridor. Somebody said speed kills, but when it comes to trains, speed attracts passengers and with that comes economic development. When I look at the market on where Amtrak is, it is more the strong Northeast Corridor, Philadelphia to New York, Philadelphia to Washington, Philadelphia to everywhere. If we can get the rail service up to 110 miles per hour, how important is that going to be to the Northeast Corridor in your opinion and in the opinion of the business community that you represent?

Mr. SCHWEIKER. The obvious picture comes to mind of greater speed amounts to quicker travel, and it is fueling for a stronger economy over time. Whether it is more commercial tenants that decide to center themselves near our station, to an industry that may be nearby, all of that I think is made more likely when business executives can count on a stable system and the availability of intercity passenger rail.

So that is what brings me here. For members of the committee, I came down on Amtrak today, and I will soon take an Amtrak train back. I love it. Once people experience it, they are inclined to use it more. The same goes for business people. I think that explains the increased ridership. And you throw in \$3.60 for a gallon of gas, people will think about using rail. So we will stand shoulder to shoulder with this committee as they shape the reauthorization proposal.

Mr. SHUSTER. Does the chamber have a view—there has been some talk on States especially with the corridor, having a greater ownership or say in the corridor. Does the business community have a thought on that happening?

Mr. SCHWEIKER. There is a view for partnerships that has to be defined.

To mention Cira Centre again, next door, it looms up next to the 30th Street Station. That is a result of enlightened thinking and accommodation and partnership in a concrete sense. I would love to invite you to come out. You get on at Union Station, and you would never have to leave the air conditioning. Because Cira Centre is literally connected by a footbridge to the 30th Street Station.

All of that speaks of economic return and, of course, our belief that, with accommodation, public-private partnerships with Amtrak would provide that kind of payoff.

Mr. SHUSTER. Thank you.

Lieutenant Governor Bohlinger, we, of course, preparing for this heard from a number of people; and the bus companies in Montana said that Amtrak has an unfair advantage and that there is no bus service. Can you speak to that?

Mr. BOHLINGER. Thank you, Congressman.

We have no intercity bus service through much of Montana. The bus companies might say it is because of the Amtrak competition.

Mr. SHUSTER. They say unfair competition, which I am not quite sure—go ahead.

Mr. BOHLINGER. Unfair competition, I don't understand that. I mean, the Amtrak train runs east and west. It makes a trip east once a day, a trip west once a day. It is not regular passenger rail service. I don't see that as an unfair competitive advantage. The bus companies I think have abandoned these small towns in northern Montana because there are fewer riders. But our ridership on Amtrak, the numbers are increasing. I believe in the last couple of years we had a 30 percent increase in ridership.

Now, I don't think that is ridership that has come as a result of the bus companies giving up the ridership—their service to the area. Amtrak is more convenient.

Mr. SHUSTER. Thank you. My time has expired.

Ms. BROWN OF FLORIDA. Lieutenant Governor, I am going to turn it over to Mr. Michaud, but one of the things you mentioned is that during the wintertime that is the only way that people can move around because of the snow and the conditions of your two-lane roads. So can you give us a minute response on that before I turn it over to my colleague?

Mr. BOHLINGER. Yes, ma'am.

During the winter months, it is not uncommon for the northern part of our State to have what we call Alberta clippers. We blame all our bad weather to our neighbors in the north. It will close our two-lane highway, the only east-way route across the northern part of our State. It is unsafe for travel. The roads are closed. The train always goes through, so it does provide safe travel for Montanans as well as for American citizens, yes, ma'am.

Ms. BROWN OF FLORIDA. As we develop the system, I think we need to think about—all we have to do is look at Katrina, and we need to—it is not just economic development, certainly that is a

major part, but also security is a part in how we move our citizens out of harm's way.

Congressman.

Mr. MICHAUD. Thank you very much, Madame Chairwoman.

I am very supportive of rail, both passenger and freight rail. In the State of Maine, we have a population of approximately 1.3 million. There is a lot of increase in passenger rail from Portland further north. However, it is a very rural State. The population might not warrant building new lines for passenger rail.

So I would like to have each of the panelists, starting with you, Lieutenant Governor, how would you envision rail, passenger rail, working with the private sector, the freight rail folks to help build their—utilize their lines to build it up to standard so you can use both, particularly in a rural State that might not warrant more lines for passenger, by using the freight, the private sector on the freight rail, which is Portland, Maine, if you look at the paper industry moving their products out on the freight lines. Comments?

Mr. BOHLINGER. Thank you, Congressman.

The rail lines are owned by private companies, maintained by private companies. Amtrak leases space to run their trains twice a day across these rail lines. As far as expansion of rail service in Montana, at one time, up until 1972, we had what was called the northern route as well as the southern route across our State. The southern route was abandoned at that time, although there was greater ridership along the southern route because it provided service to the cities of Billings, Bozeman, Butte, Missoula, our greater population centers, the quickest way to the west coast from Chicago to Seattle and Portland that Amtrak was interested in. It was a quick way of getting there.

They abandoned the southern route. I would love to see the southern route reestablished to provide travel by rail to those people who live in southern Montana. I would support the expansion of rail service in Maine to take it from Portland north.

This is the United States of America. It is the connectivity that would provide opportunity for Americans to travel. I think it is something I think Congress should be concerned about.

Ms. NEKRITZ. Congressman, if I may—I am sorry.

Mr. MICHAUD. Do you think the Federal Government should provide funding to upgrades in the private sector as well? It is one thing—if the private sector hasn't the funds to upgrade their system to allow, you know, thoughts on that as well.

Mr. BOHLINGER. Thank you, Congressman.

I think that a Federal investment in the expansion of rail service, whether it is putting in new lines, upgrading present lines, partnerships have to be formed; and the Federal Government has deeper pockets than private sector as well as State governments. I would encourage that.

As our chairperson said, we are spending—is it—\$9 million a week in Iraq. We should be investing in this country proportionally. Thank you.

Ms. NEKRITZ. Congressman, thank you.

In Illinois, all of our trains run over freight lines. There are no dedicated lines, so we face a lot of the same challenges. While they can be a good partner, they don't necessarily make an investment

in infrastructure that will improve passenger rail. They will make the investment to improve their train service but not passenger rail.

The only way we can get that is with a government or a public investment. So that is—we made some of that in Illinois, but we definitely need some help from the Federal Government on that. I think that is the only way it is going to happen.

Mr. SCHWEIKER. I think public policy that exists on cooperation, the logistics can be worked out. There has to be willingness of both parties so that can happen. I do think—I am not sure about the willingness on the part of the freight moving industries. I think you know my point.

I do think as we talked about—I don't hold myself as anyone who is greatly conversant with conditions existing in Maine, but, as I see it, we need to justify attention for just such an approach to operate what we have now well, build a case for it, not just to non-members of Congress but for the populous among the institutions that see the reward of doing it well. I think over time the P3s, the public-private-partnership community, perhaps maybe can work it out.

So it is a matter of operating it well and then think about the expansion. I think that creates the justification for that timely maneuver. No easy answers, as you certainly suggest by the question.

Ms. WILLIAMS. I would like to say I think it is incumbent upon our government to play a major role in reaching out to develop partnerships and maybe give some type of incentive for private industry to come on board. I don't see how we are going to survive here in America without developing partnerships.

Ms. BROWN OF FLORIDA. Okay, thank you.

We are going to go now to Congressman Gerlach, but I want to correct myself. It is \$9 billion a month. Even up here that is some money.

Mr. GERLACH. Thank you, Chairman.

Good morning, everybody. Thank you for testifying.

Governor Schweiker, great to see you again.

I want to offer a question to you, but it really applies to the other presenters here based on your experiences with Amtrak in your areas. My district is right outside of Philadelphia, and my constituents rely heavily on the Keystone Corridor for travel and very much want to see more funding for Amtrak services, and so I am very much in support of that as well. RPTS SCOTTDCMN  
MAYER[11:05 a.m.]

Mr. GERLACH. And we want to try to accomplish as much as we can here in this funding cycle for that. But I am also finding back in the local area there are Amtrak properties, rail stations and properties generally, that are underutilized, that have opportunities for commercial development, that could be a source of revenue for Amtrak and to the local communities; or if they are not going to be used by Amtrak just because of changes in service and changes in technology that they do not need the sizes of rail stations that they have now, it could be turned back to local communities for other economic development purposes.

So I would be curious as to your thoughts, on the one end, of how we all want to work towards getting the resources to Amtrak from

the Federal level that then, in turn, help provide for better service in our localities and States. How can we also, at the same time, encourage the better utilization of Amtrak properties in the 21st century so it brings a greater return to Amtrak and a greater return to the local communities that have those properties situated in their areas?

So I will start with Governor Schweiker, if you have a thought on that. But I will also leave it open to the other presenters.

Mr. SCHWEIKER. Well, my immediate reaction is, in having been involved in the administration as governor for some time, as well, all know, in a bureaucracy, sometimes bureaucratic thinking takes over all of the ways of thinking to maintain themselves. Perhaps, as it relates to Amtrak, there are those who do not see the commercial opportunities that are associated with those structures or with those locations, and it is a matter of opening themselves up to that possibility. I mean, with public-private partnerships, we know what P-3s are all about, and they work in plenty of locales with many different applications.

Individually speaking—and I think the business community feels as I do—with some open-mindedness internally at Amtrak, given the opportunity to ponder what a P-3 could do, there could be some real positive economic development opportunities to follow, and they could be profitable. So it probably boils down to, as one contemplates the language of the reauthorization proposal, there being an encouragement to those at Amtrak to think about such maneuvers, such accommodation, and seeing what can come of it.

But it is when the marketplace can properly work its magic that there is proper accommodation by those who make public policy in an organization like Amtrak.

Mr. GERLACH. Other thoughts?

Mr. BOHLINGER. Yes, Congressman.

I certainly would encourage public-private partnerships, you know, with the collaboration of especially, say, historic buildings that had once accommodated a great rail system that might be owned by Amtrak today. As they downsize space and find they do not need these grand ballrooms, they can—they are kind of like Union Station here—develop a wonderful commercial enterprise and add to the economy.

The rail stations in Montana are not owned by Amtrak. They are owned now mostly by the municipalities, the cities and towns that had these stations, and they are put to great public use. You know, partnerships have been formed, and you will find, when you come to Montana for a vacation, that we will be able to show you some great historic stations and how they are used.

Mr. GERLACH. Thank you.

Anybody else?

Ms. NEKRITZ. I was interested in your question because that is not an issue that we have in Illinois, and I think it is because, in many ways, our stations are owned by the municipalities as well; and to the extent that there are unused facilities, those municipalities are now clambering for Amtrak to try to come back and reopen those facilities and use them for the purposes for which they were intended.

So I am not sure that we have the same kind of issues.

Mr. GERLACH. Okay. Thank you.

Okay. Well, thank you. I appreciate that.

Thank you, Madam Chairman.

Ms. BROWN OF FLORIDA. Mr. Lipinski.

Mr. LIPINSKI. Thank you, Madam Chairman.

I wanted to thank all of you for your testimony this morning. We are all focused here on Amtrak and what we can do to help Amtrak do its job, and I want to thank and to compliment Representative Nekritz for her leadership in Illinois.

Illinois has doubled its operating assistance to Amtrak and has doubled Amtrak's service in the State, and at a time where there has been such a desire among some of the administration, among others, to cut Amtrak, it is great to see this happening in Illinois.

So my first question, Representative Nekritz is:

How did this come about that Illinois is able to make this commitment to Amtrak service, to increasing Amtrak service?

Ms. NEKRITZ. Thank you, Congressman Lipinski, and it is good to see you.

The growth in ridership was there; before we doubled the service, the numbers were increasing, and I think that the effort—it was, really, a very bipartisan statewide, multiregional effort just to recognize and to say, "You know what? The citizens are demanding this, and it is time we start delivering on it; and if we do that, we can demonstrate, I think," as some of the other panelists said, "that if you build it, they will come and start, and then we can use the numbers that result to do even more."

So it was really a remarkable effort by, you know, people who do not normally work together in the Illinois General Assembly.

Mr. LIPINSKI. Mr. Schweiker.

Mr. SCHWEIKER. Mr. Lipinski, if I could, I do believe that regular folks, given the opportunity—I mean, they cannot come to D.C. all of the time—will tell you the same thing. They like to be heard. They think it makes sense. And for some reason, it does not always manifest in the response of public policy, but I think it is just growing. Especially as people spend more time stuck on highways and dealing with security at airports and that kind of thing, it is growing.

Mr. LIPINSKI. Does either the commissioner or governor want to respond?

Ms. WILLIAMS. I would just like to say, in terms of commitment from the officials, in addition to the businesspeople, that I think that a commitment would be there. For an example, I work very closely with the Chamber organizations—the Sanford International Airport and what have you—but I would need to be able to say to those groups that there is commitment from the top.

So I need to ask someone here, if it is appropriate, Congresswoman Brown, is there a commitment from the top? Because you will find that people are willing to develop partnerships if there is a demonstrated commitment.

So is there a commitment to Amtrak from the top?

Ms. BROWN OF FLORIDA. It depends on what "top" you are talking about. From this "top," yes, but I am not the only "top" in town.



Ms. WILLIAMS. Well, you will understand what I am saying, which is that there needs to be a demonstrated commitment from all levels, at all levels, from all groups.

Ms. BROWN OF FLORIDA. I agree, and I think, as we move forward, that is a question that we need to put on the table. When people parade through your churches, through your community groups, through the different forms that we have throughout the country, this is a debate that needs to be on the table, I mean, because when we started out, we were number one as far as rail passenger was concerned, with the caboose—and we do not use cabooses anymore.

I am going to take you up; I am going to come to Philadelphia, sir. I have been there several times on the train, and I think every Member of Congress needs to do a little homework and try the train, and I am going to encourage everybody on our committee to do that so that we can see the system and get a feel for the system.

You know, I love to take the train from here to Philadelphia and go shopping. I will take everybody with me. You know, they have economic development and everything else.

Mr. BOHLINGER. I would love to accompany you on that.

Ms. BROWN OF FLORIDA. Mr. Lipinski, have you finished?

Mr. LIPINSKI. Thank you, Madam Chairman.

We were talking a little bit about this earlier, and Congressman Michaud had brought it up, but I want to focus again on the problems with the infrastructure.

In Illinois, with the increased service, we are now running about 60 percent on time because of the bottlenecks in Illinois. Congresswoman Nekritz talked about CREATE, and it is a project that I have been championing—well, you know what I am saying; we are now working on it. It is going to take a while to get this done and to bring back the Federal money, \$100 million, but these public-private partnerships are difficult to put together.

In Illinois, in CREATE, we have the Federal money. We are working on the State money. We also have the city of Chicago; we have the passenger rail in the Chicago area also. We are putting in funding there, but it is difficult to do these things. In addition, we have the railroads, so we do have that private funding there.

I just wanted to give Representative Nekritz an opportunity to comment some more on that and how CREATE is coming together and how important this is for Amtrak in addition to, you know, the freight railroads' being able to get their freight into and through Chicago, and also the commuter railroads.

Ms. NEKRITZ. There are a couple of things I would say.

The first is that we all have a vision—I think I heard that on the committee—of having high-speed passenger rail. That is sort of the ideal.

Right now, in Illinois, we can go 110 miles an hour, but it is not going to do us any good because we are going to go 10 on longer stretches, and then we are going to be able to go 110. So, until we get those conflicts with the freight straightened out and get the infrastructure to where we can accommodate those fast trains, we are wasting our time investing in 110-mile-an-hour trains.

We have got to get the infrastructure where we can at least go 40. That would be a big improvement in a lot of our areas.

Secondly, with regard to the importance of CREATE, you know, CREATE is an \$8 billion economic engine in the Chicago region, and if we do not invest in that, it does impact the entire country because two-thirds of all of the freight in this country, as you well know, goes through the Chicago region.

So decongesting the freight system in our region is critically important not only because it helps our region, but because it does help goods move throughout the entire country; and as we become more and more dependent on imports and things getting transported across the country, that is the most important piece that we can straighten out right now, the congestion right in your district.

Mr. LIPINSKI. There is one other thing I wanted to add.

Positive train control is something that could be very helpful, and we are discussing that right now and working on that in the committee. But that could be very helpful for all rail traffic in order to be able to run the trains safely, and it will help with congestion also.

Thank you.

Ms. BROWN OF FLORIDA. Congressman Brown.

Mr. BROWN OF SOUTH CAROLINA. Thank you, Madam Chair.

I am just thinking. As we talk about the high-speed, did you go to the ball game last night?

Ms. BROWN OF FLORIDA. No, sir, I did not.

Mr. BROWN OF SOUTH CAROLINA. Your ranking member hit a triple, and to see him go around those bases to third base was pretty phenomenal.

Mr. SHUSTER. No. It was ugly. It was the first lay-down triple in the history of baseball. When I got to third, I had to lie down in the dugout.

Mr. LIPINSKI. And I can tell you that he hit one of those a couple of years ago, too, one of those lay-down triples, so—

Mr. SHUSTER. That is the second one I have hit, I guess I should say.

Mr. BROWN OF SOUTH CAROLINA. Anyway, you would have been impressed.

Let me just say, Madam Chairman, that there seems to be a great connectivity between the economic centers in the Northeast through Amtrak, and there is little or no connectivity between the economic centers in the Southeast; and I think my friend Ms. Williams might have alluded to that. Rail service is available between Atlanta and Charlotte. There is none between Charleston and Atlanta or Atlanta and Miami unless you want to go through Washington, DC.

In addition to representing a growing district, I also represent a district that depends upon tourism for a large portion of its economy. I notice that, within the Amtrak route map, all of the routes that run through South Carolina are listed as long-haul routes. As the Southeast continues to grow both in population and in tourist traffic, I wonder if having all Amtrak routes into the region based this way is the best approach.

And I know we talked about the interstate system, which was formed in 1954, and we do not seem to have expanded much on that. It seems like we are still stuck in that same time zone for the railroad system.

And I am glad to have the members of the panel with us this morning. Would you like to elaborate on my situation and see how it might fit into your situation? I know that a lot of our folks might not come from Montana, but we would like for them to. A lot of them do come from the Northeast, coming down through my district to get down to Ms. Williams' district.

Anyway, would you all care to expand on that?

Ms. NEKRITZ. Well, I will take a stab at it.

We, in Illinois, have invested State money in purchasing service, and that has laid the groundwork for us to come here, I think, and ask for some assistance to grow that system. I do not know, you know, what the situation is like in your States, but when we expanded the service last year, our governor, who was really not too much on board with this initially, stood on the back of the Amtrak train and with the bunting, and he waved at everybody at every town along the way; and it has been a phenomenal success.

So it is, I think, a perfect melding of, you know, what the citizenry wants; and it is a really solid investment, I think.

Mr. BROWN OF SOUTH CAROLINA. Do you have some kind of a shared arrangement between the Federal Government and the State government and the local government to help fund some of these initiatives; or can you still depend upon Amtrak, which basically is the Federal, plus, you know, whatever ridership it might receive?

Ms. NEKRITZ. Right.

Well, certainly, as to the Amtrak lines that we as the State purchase, those are strictly funded by State dollars, the service itself. We get a benefit from the fact that Amtrak owns equipment and can negotiate with the freight railroads as a result of the Federal laws and so forth. So there are certainly perks that come to Amtrak and, through that, to Illinois, but the service we purchase is—the operating line on that is funded by the State of Illinois.

Mr. BOHLINGER. Congressman Brown, I would like to offer some comment on the question that you pose; and I would first reference the opening remarks by Congressman Shuster when he discussed how this great country of ours prospered when we provided transportation opportunities for its citizens. Whether it was the canal system or our first railroad, it caused this country to prosper and to come together in a new and wonderful way.

As to the expansion, that same opportunity exists today if we were to expand rail service to the cities that you referenced. The same opportunity would exist today if we were to expand the system out my way if we would, once again, open the southern route. It becomes, you know, a driving force in the economy.

So I would encourage Congress to take into consideration any opportunity to expand service, and that becomes critical especially in the day of \$3-, \$4- and \$5-a-gallon gasoline. It becomes critical when we look at airports that are so crowded and planes that do not run on time.

In fact, I had—you will not believe this—a 14-1/2-hour travel day from Helena, Montana to Washington, D.C., yesterday. The plane was 2 hours late in leaving Helena because it was overloaded with fuel. It weighed too much with the passenger load. They did not syphon the fuel off; they burned it off. They burned it off for 2

hours, and then we had to land in Rapid City, South Dakota, to take on more fuel so we could get to Minneapolis.

So it is these sorts of inefficiencies that need to be stopped.

Mr. SCHWEIKER. Congressman, I would mention that PHL, Philadelphia Airport, is fourth in terms of rate of passenger usage. It is growing. It is the fourth busiest in the country with the attendant delays the Lieutenant Governor just pictured for us, and that does drive people to rail.

Yet, I find myself inclined to say at this point, as we try to rally around the idea of ample support for Amtrak, you know—capital and operating and generating broader support within Congress and, you know, ideally the White House—that it is a “one thing leads to another” dynamic.

What we have got going now is, we have got to work to see to it that it operates efficiently so that it is appealing in ridership growth, and then that is a lesson you share with other areas in the country as you have just mentioned. It is that kind of dynamic, and thus, an earlier reference on my part mentioned four recommendations.

One is, define the state of good repair and provide the associated funding to achieve it, and then you will get those efficiencies; you will get on-time performance up, and that is attractive to people. So it is certainly not the most insightful political counsel, but I think it is something to think about in Washington.

Mr. BROWN OF SOUTH CAROLINA. I think it certainly verifies that we need total transportation oversight rather than just trying to micromanage the rail and the highway and airlines as separate structures.

Mr. SCHWEIKER. Absolutely, and get past the 1 year, you know, of what we have got to provide for Amtrak to muddle through. I think we do pretty good, all things considered, in terms of some of the hamstrings that they have experienced when you look at their operation.

Mr. BROWN OF SOUTH CAROLINA. Thank you. I see my time has expired.

Thank you, Madam Chairman.

Ms. BROWN OF FLORIDA. In closing, I know that the governor has to leave, and I would just like to give you all a minute for any closing remarks.

Oh, I am sorry. Mr. Nadler.

Mr. NADLER. Thank you.

Governor, I have some questions for you in particular.

Governor, you mentioned that we should find a secure source of funding for intercity passenger rail, and obviously, we should. A few years ago, we were considering TEA-LU before it was named “TEA-LU.” this committee reported out a \$375 billion bill for the next 6 years because that was what DOT told us was needed in the 6-year period to keep the existing transportation system in a state of good repair.

The administration objected to that. They said we should not do anything more than \$256.4 billion because of their principles, their principles being, one, we should not use any revenues other than the gasoline tax, and two, we should not raise the gasoline tax.

We had proposed in that initial bill that we should index the gasoline tax, which is now 18.3 cents a gallon. It is not a percent tax; it is a gallon tax. So, unless we increase the gallon usage, which is exactly what we do not want to do, obviously, the revenue from that is going to stay the same and will go down. With inflation, it has to go down.

We had proposed indexing that to inflation and indexing it retroactively to the beginning of the pass-through, which would have been a 5.6-percent adjustment—we do not call it an “increase”—and then have it go up from there. The administration very much opposed that.

Do you think that that is a useful idea for the future to provide transportation planning to adjust the gasoline tax, either to increase or to make it inflation-sensitive?

Mr. SCHWEIKER. I do not know the policy particulars, and I do not remember the ins and outs of that particular time.

Mr. NADLER. Well, that was all behind the scenes anyway. I am just asking a basic question.

If we are looking for a secure source of funding for rail, or for that matter, anything in transportation, you are going to start by making the only transportation tax we have really, which is a gasoline tax, expand; and the only way to do that is either to increase it by saying “we hereby increase it” or by making it sensitive to inflation.

Mr. SCHWEIKER. Here is a short answer to a complex question. I would say it makes sense to look at that—

Mr. NADLER. Okay. Thank you. The other—

Mr. SCHWEIKER. —and to change the principles as far as what were the guiding considerations.

Mr. NADLER. The second question on that is that some people—in 1993, as part of President Clinton’s deficit reduction package, we imposed a 4.3-cent-a-gallon gasoline tax on all gasoline, diesel fuel, aviation fuel, et cetera, and that was to go to the general budget for the deficit.

In 1997, with respect to everybody but railroads—automobiles, planes, et cetera—we took those funds, and we put them into the Highway Trust Fund, the Aviation Trust Fund, et cetera. With respect to railroads, we did not do that. We kept it in the general fund, and 2 years ago, we simply repealed it. So the railroads now pay no gasoline—well, they do not pay that 4.3-cent gasoline tax that the other modes of transportation pay. By the same token, they do not get any benefits out of it, which the other modes do, that go into the Highway Trust Fund or into the Aviation Trust Fund.

Do you think we ought to consider, perhaps, reimposing that and dedicating that to a railroad fund for capital improvements for passengers or for freight or for both?

Mr. SCHWEIKER. I do not feel I know enough about it at this point.

Mr. NADLER. Okay. Thank you. Let me ask the third question.

Hypothetically speaking, how would you feel or how would the greater Philadelphia business community respond to Amtrak’s receiving priority over rail freight entering and exiting the greater Philadelphia area?

Let me broaden that question, or perhaps, it is the other way around. Well, it is the other way around because they only—

Mr. SCHWEIKER. We do have some, yes, sticking points for sure. I think it can be worked out.

Mr. NADLER. My real question that I am looking at is, we are looking certainly at the New York area and, in fact, at the New Jersey area.

Mr. SCHWEIKER. We have to work it out. I mean, it is limited trackage.

Mr. NADLER. Well, we are looking at increasing congestion on both passenger and freight. East of the Hudson, less than 1 percent of our freight comes in by rail. In northern New Jersey—in New Jersey, it is 15 percent; nationally, it is about 40 percent.

If we are going to increase—you mentioned here in your testimony somewhere that you anticipate freight increases of 50 to 70 percent. You said something about increasing something to 50—well, it is estimated the Northeast will go from 49 million to 70 million people in 50 years. We are looking at an 80 percent increase in freight coming into New York City and Long Island in the next 20 years, so we need a much-increased capacity for freight, as well as for passengers, and the rail system is overloaded. We are already getting into conflict between the freight and the rail.

I just wonder if you can comment on how that is working out in the Philadelphia region now.

Mr. SCHWEIKER. Well, I mentioned our sticking points. When you stop to consider the immensity of the challenge that you have just quickly described—and I realize I do not have the time to elaborate—it just argues for the commitment to developing a comprehensive approach.

You know, freight is going to have to come to the table; passengers are going to have to come to the table certainly, guided by those in the Federal Government. And the business community would like to help.

I do not think we are going to be able to resolve it in the next couple of months. With this kind of growth, we are going to have to pay attention to it and stay with it.

Mr. NADLER. Yes. My last question is a little further afield. You may or may not be able to comment on it.

Right now, most—well, “much”; I should not say “most”—much of the freight destined for the New York City region and east of the Hudson comes by rail to rail terminals in northern New Jersey where it gets put on trucks and comes a few miles into New York City and into Long Island. Norfolk Southern and CSX are building very, very large rail terminals near Allentown and Harrisburg, Pennsylvania. When they finish doing that, much of this traffic is going to come by rail to Allentown and Harrisburg and will be put on the road network there, which will make I-78 and I-80 parking lots for the entire State of the New Jersey.

I am wondering if—I do not know the geography of Pennsylvania very well, but I am wondering how, if at all, this huge increase in truck traffic coming from Allentown and Harrisburg toward New York is going to affect the highway usage, the highway crowdedness and, therefore, the rail usage in the Philadelphia region.

Mr. SCHWEIKER. Well, first, politically, I hope most people see it as a nice problem to face. But I do think, as it relates to fluency and as to road capacity, that the need for creative reactions—you know, hot lanes, enhancements to the roadway itself—for the sake of moving traffic will be necessary; and I do not think one can pose those kinds of reactions or alternatives without being comfortable with the idea of tolling interstates. That, in my estimation, is just a matter of time.

I will not go into—a Pennsylvania budget discussion is under way right now about Interstate 80, which runs east and west, but I think some of these traffic-moving alternatives—hot lanes, congestion fees, mobility surcharges, whatever term you want to use—are likely to be necessary when that picture becomes a reality.

Mr. NADLER. Thank you very much.

Ms. BROWN OF FLORIDA. Thank you all so very much. This panel has been very enlightening. I have additional questions, but I will just give them to you all in writing.

[The information follows:]\*\*\*\*\* COMMITTEE INSERT  
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Ms. BROWN OF FLORIDA. Any closing remarks in less than a minute? That is what we have allotted. Are there any closing remarks that you want to make before the next panel has to come up?

Yes, sir.

Mr. BOHLINGER. Yes, ma'am. Very quickly, Madam Chair, let me say this:

From Montana's perspective, the greatest need is a national passenger rail policy that includes long-distance routes with multiyear Federal funding. It is difficult to run a business if we cannot find a source of financing that is not done in a piecemeal way. I think that until that multiyear funding formula is developed, Amtrak is doomed to forever struggle to survive to provide the basic service it does. Thank you.

Ms. BROWN OF FLORIDA. Yes.

Governor.

Mr. SCHWEIKER. Thank you, Madam Chair.

I will finish by just, again, at least confirming in the minds of all who have participated here today that there is a tremendous economic and environmental return on the fluid operation of Amtrak; and hopefully, with your guidance, the effort is applied to create the reauthorization proposal that is a motive and is an incentive for all of us to do this job together.

For the business community of southeastern Pennsylvania and for northern Delaware and for southern New Jersey, we are eager to work hand in hand with the committee.

Ms. BROWN OF FLORIDA. Yes, sir, and I am going to take you up on your invitation for the field trip.

Mr. SCHWEIKER. I think it will be enlightening.

Ms. BROWN OF FLORIDA. Yes, sir.

Ms. NEKRITZ.

Ms. NEKRITZ. Thank you, Madam Chairwoman.

I just would like to reiterate that I think the citizenry is way ahead of the policymakers in this regard, on this issue; and we

need to catch up to them and make the investment that I think they are demanding.

Ms. BROWN OF FLORIDA. Thank you. I have a couple more questions for you, and I am just going to give them to you in writing. Thank you very much.

[The information follows:]\*\*\*\*\* COMMITTEE INSERT  
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Ms. BROWN OF FLORIDA. Ms. Williams.

Ms. WILLIAMS. Also, I would like to thank the committee for having me here, but I would just like to reinforce everything that has been said and say that we support adequate funding for Amtrak.

I would like to know—you can give it to me in writing—what I can do to get the citizens involved and getting support in trying to find out exactly what legislatures do support this and those that do not support it. That is so important to me.

Ms. BROWN OF FLORIDA. Yes, ma'am. I think you should start talking to your local people first.

Thank you very much.